

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

July 29, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 684-1
SE/SW, SEC. 1, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-01458
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter

Agent
EOG Resources, Inc.

Attachments

RECEIVED
AUG 04 2005
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5. Lease Serial No.
U-01458
6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone
2. Name of Operator
EOG RESOURCES, INC.

7. If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT
8. Lease Name and Well No.
CHAPITA WELLS UNIT 684-1

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**
3b. Phone No. (Include area code)
(435)789-0790

9. API Well No.
43-047-36936

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **640' FSL, 1798' FWL 637256X 40.059575**
At proposed prod. Zone **4435400Y SE/SW -109.390702**

10. Field and Pool, or Exploratory
NATURAL BUTTES
11. Sec., T, R., M., or Blk. and Survey or Area
**SEC. 1, T9S, R22E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*
17.3 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed*
location to nearest
property or lease line, ft. **640'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease
320

12. County or Parish
UINTAH
13. State
UTAH

17. Spacing Unit dedicated to this well

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth
7630'

20. BLM/BIA Bond No. on file
NM-2308

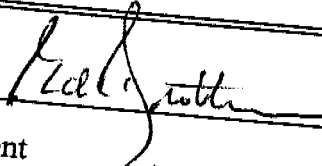
21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4816.4 FEET GRADED GROUND

22. Approximate date work will start*
UPON APPROVAL

23. Estimated duration
45 DAYS

24. Attachments
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 
Title **Agent**
Name (Printed/Typed) **Ed Trotter**
Date **July 29, 2005**

Federal Approval of this
Action is Necessary

Name (Printed/Typed)
BRADLEY G. HILL
Office **ENVIRONMENTAL SCIENTIST III**

Date
08-09-05 RECEIVED

AUG 04 2005

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of Approval, if any, are attached.
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.
Instructions on page 2)

FILE	EOG RESOURCES, INC.
------	---------------------

EIGHT POINT PLAN
CHAPITA WELLS UNIT 684-1
SE/SW, SEC. 1, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. **ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

FORMATION	DEPTH (KB)
Green River FM	1,939'
C-Zone	2,268'
Mahogany Oil Shale Bed	2,618'
Middle Carb Bed	3,425'
Castle Peak MBR	4,534'
Uteland Butte MBR	4,789'
Wasatch	4,960'
Chapita Wells	5,563'
Buck Canyon	6,247'
North Horn	6,854'
Island	7,282'

EST. TD: 7,630' or 200' ± below Island Top

Anticipated BHP: 3,780 Psig

3. **PRESSURE CONTROL EQUIPMENT:** Production Hole - 3,000 Psig
BOP Schematic Diagram attached.

4. **CASING PROGRAM:**

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12 ¼"	0' - 500' +/-KB	500' +/-	9 5/8"	36.0#	J-55	STC	2020 PSI	3520 PSI	394,000#
7 7/8"	500' - TD +/-KB	7,630' +/-	4 1/2"	11.6 #	J-55	LTC	4960 PSI	5350 PSI	162,000#

All casing will be new or inspected.

5. **Float Equipment:**

Surface Hole Procedure (0 - 500' ± Below GL):

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1 - 5-10' above shoe, every collar for next 3 joints (4 total).

Production Hole Procedure (500' ± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, J-55 or equivalent marker collars or short casing joints to be placed 1000' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (15± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 684-1
SE/SW, SEC. 1, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

6. **MUD PROGRAM:**

Surface Hole Procedure (0 - 500' ± below GL):

Air/air mist or aerated water

Production Hole Procedure (500' ± - TD):

Anticipated mud weight 9.0 – 9.5 ppg depending on actual wellbore condition encountered while drilling.

500'± - TD A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. **VARIANCE REQUESTS:**

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

8. **EVALUATION PROGRAM:**

Logs: Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

9. **CEMENT PROGRAM:**

Surface Hole Procedure (0-500' ± Below GL)

Lead: 275 sks. (100% excess volume) Class 'G' cement with 2% S1 (CaCl₂) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft³/sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl₂) in mix water, 15.8 ppg, 1.16 ft³/sk., 4.95 gps via 1" tubing set at 25' if needed.

Install 6' x 4' cellar ring, drill rat and mouse holes with spud rig.

Note: Cement volumes will be calculated to bring cement to surface.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 684-1
SE/SW, SEC. 1, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (500' ± to TD)

Lead: 150 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46(Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 420 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: Number of sacks is based on gauged hole calculation.
Lead volumes are to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 500'±):

Lost circulation

Production Hole (500'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

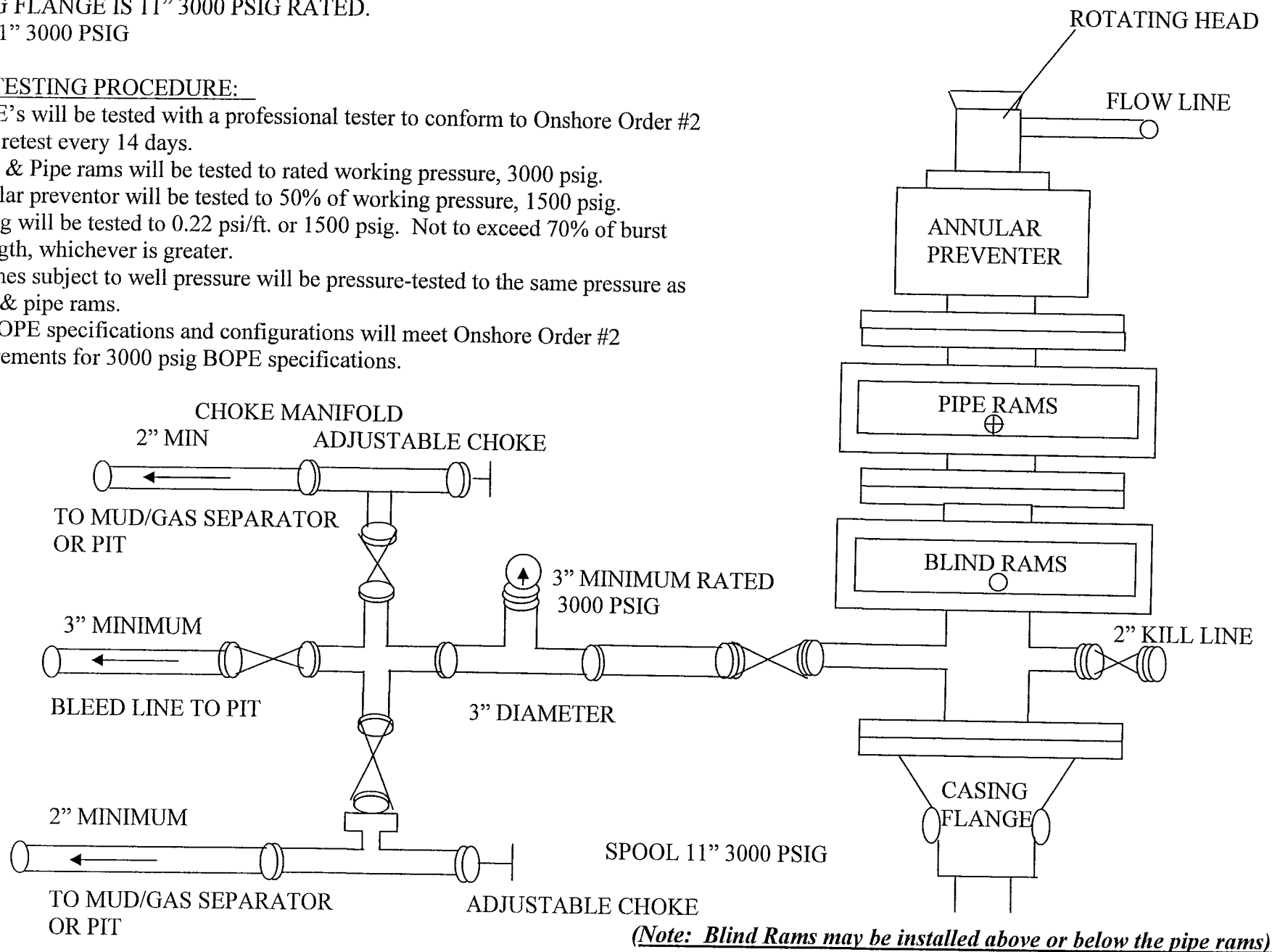
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED.
CASING FLANGE IS 11" 3000 PSIG RATED.
BOPE 11" 3000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig.
3. Annular preventor will be tested to 50% of working pressure, 1500 psig.
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator:	<u>EOG Resources, Inc.</u>
Well Name & Number:	<u>Chapita Wells Unit 684-1</u>
Lease Number:	<u>U-01458</u>
Location:	<u>640' FSL & 1798' FWL, SE/SW, Sec. 1,</u> <u>T9S, R22E, S.L.B.&M., Uintah County, Utah</u>
Surface Ownership:	<u>Federal</u>

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 17.3 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. An existing road will be utilized to service this well. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. **The existing access road (to the Chapita Wells Unit 647-1 well) will be reclaimed, and a new access will be constructed off the Northeast corner of the well pad to connect with the existing road.**
- D. Maximum grade on access road will be 8%.
- E. No turnouts will be required.
- F. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- G. No culverts, bridges, or major cuts and fills will be required.
- H. The access road will be dirt surface.
- I. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Abandoned wells - 3*

B. Producing wells - 28*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the East side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. **SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be

disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
 - Gardner Salt Bush – 4 pounds per acre
 - Shad Scale – 3 pounds per acre
 - Hi-Crest Crested Wheat Grass – 4 pounds per acre

The reserve pit will be located on the Southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corner #5. The stockpiled location topsoil will be stored Northwest and Southeast of Corner #1. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Northeast.

Corners #6 and #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast

seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the

application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

The existing access road (to the Chapita Wells Unit 647-1 well) will be reclaimed, and a new access will be constructed off the Northeast corner of the well pad to connect with the existing road.

All tanks for this location will be of the low-profile type.

X No construction or drilling activities shall be conducted between May 15 and June 20 due to Antelope Stipulations.

X A pond will be constructed according to BLM specifications in the drainage below the location.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 684-1 Well, located in the SE/SW of Section 1, T9S, R22E, Uintah County, Utah; Lease #U-01458;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

7-29-2005
Date

Ed Smith
Agent

EOG RESOURCES, INC.

CWU #684-1

SECTION 1, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ACCESS ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE CWU #647-1 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.3 MILES.

EOG RESOURCES, INC.

CWU #684-1

LOCATED IN UTAH COUNTY, UTAH
SECTION 1, T9S, R22E, S.L.B.&M.

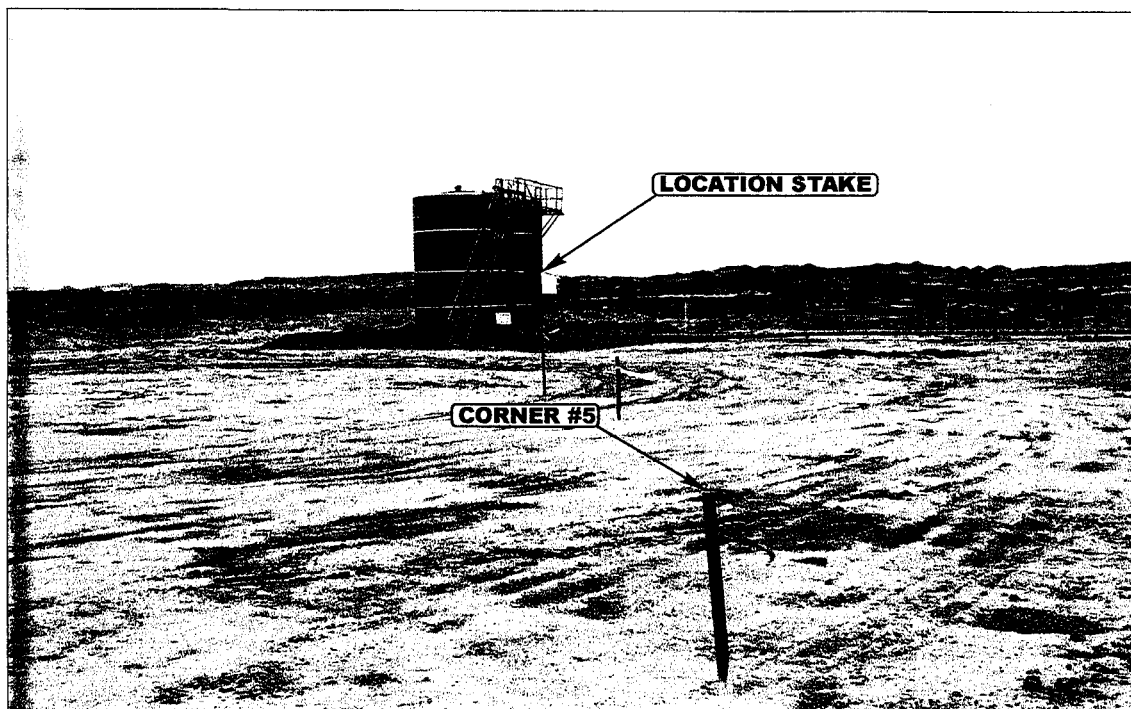


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

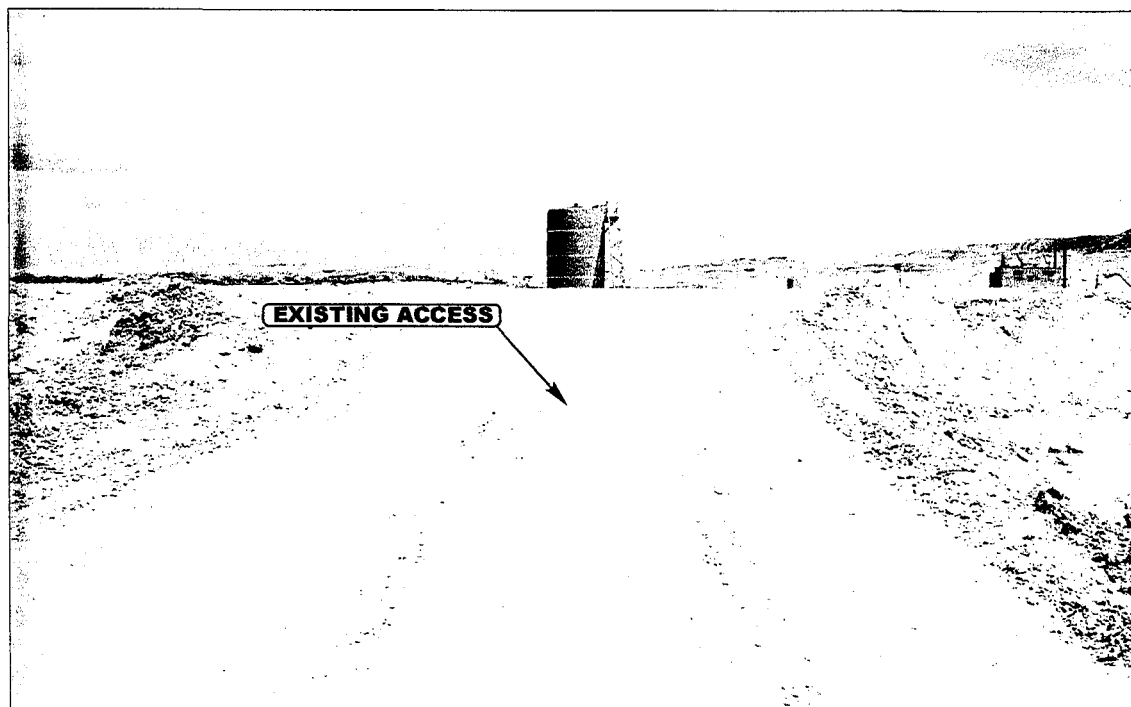


PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

E&L S Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

05 09 05
MONTH DAY YEAR

PHOTO

TAKEN BY: T.B.

DRAWN BY: S.L.

REVISED: 00-00-00

LOCATION LAYOUT FOR

SECTION 1, T9S, R22E, S.L.B.&M.

Proposed
Pipeline
Re-Route

Existing Road

F-2.1'
El. 14.3'

Sta. 3+25

SCALE: 1" = 50'

DATE: 5-11-05

Drawn By: K.G.

F-5.2'
El. 11.2'

Proposed Access Road

NOTE:

*Flare Pit is to be located
a min. of 100' from the
Well Head.*

*Reserve Pit Backfill
& Spoils Stockpile*

El. 16.4'
C-12.0'
(btm. pit)

Existing Topsoil Stockpile

15' WIDE BENCH

RESERVE PITS
(12' Deep)

Total Pit Capacity	W/2. Of Freeboard
= 12,250 Bbls. ±	
Total Pit Volume	= 3,320 Cu Yds.

30751

TRASH

El. 21.7'
C-17.3'
(btm. pit)

Approx.
Top of
Cut Slope

C-0.7'
El. 17.1'

Existing Reserve
Pit Backfill &
Spoils Stockpile

Approx.
Toe of
Fill Slope

C-0.6'
El. 17.0'

Sta. 0+00

FIGURE #1

NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4816.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

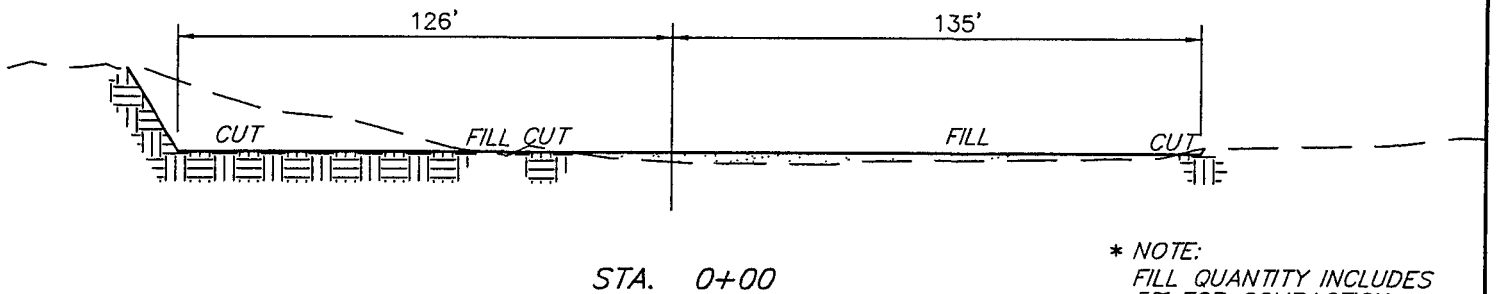
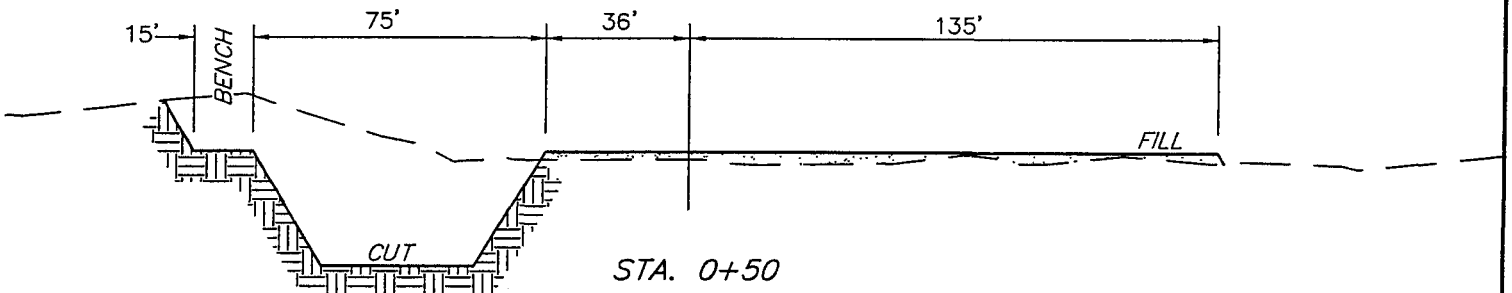
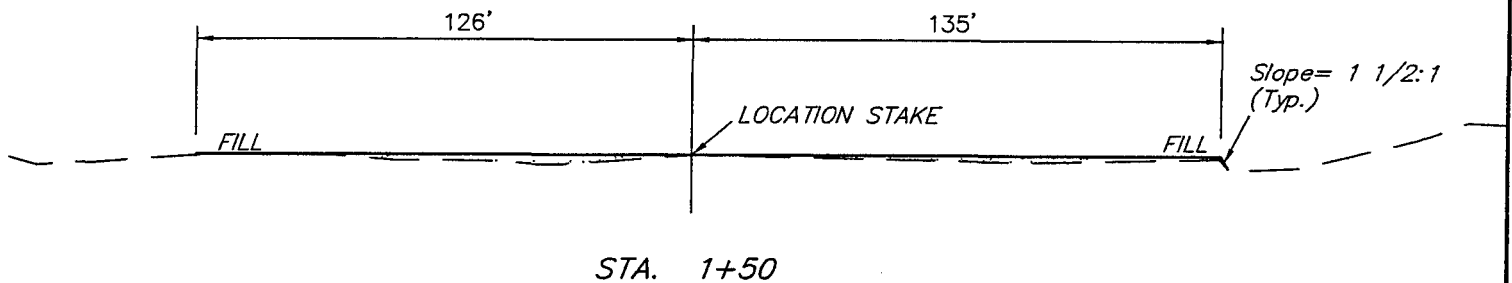
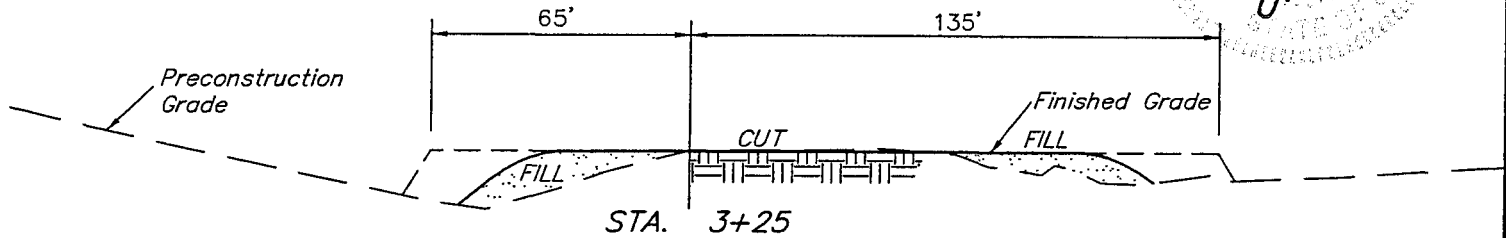
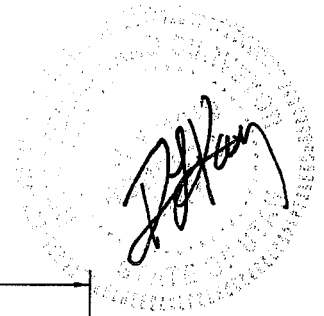
CWU #684-1

SECTION 1, T9S, R22E, S.L.B.&M.

640' FSL 1798' FWL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 5-11-05
Drawn By: K.G.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

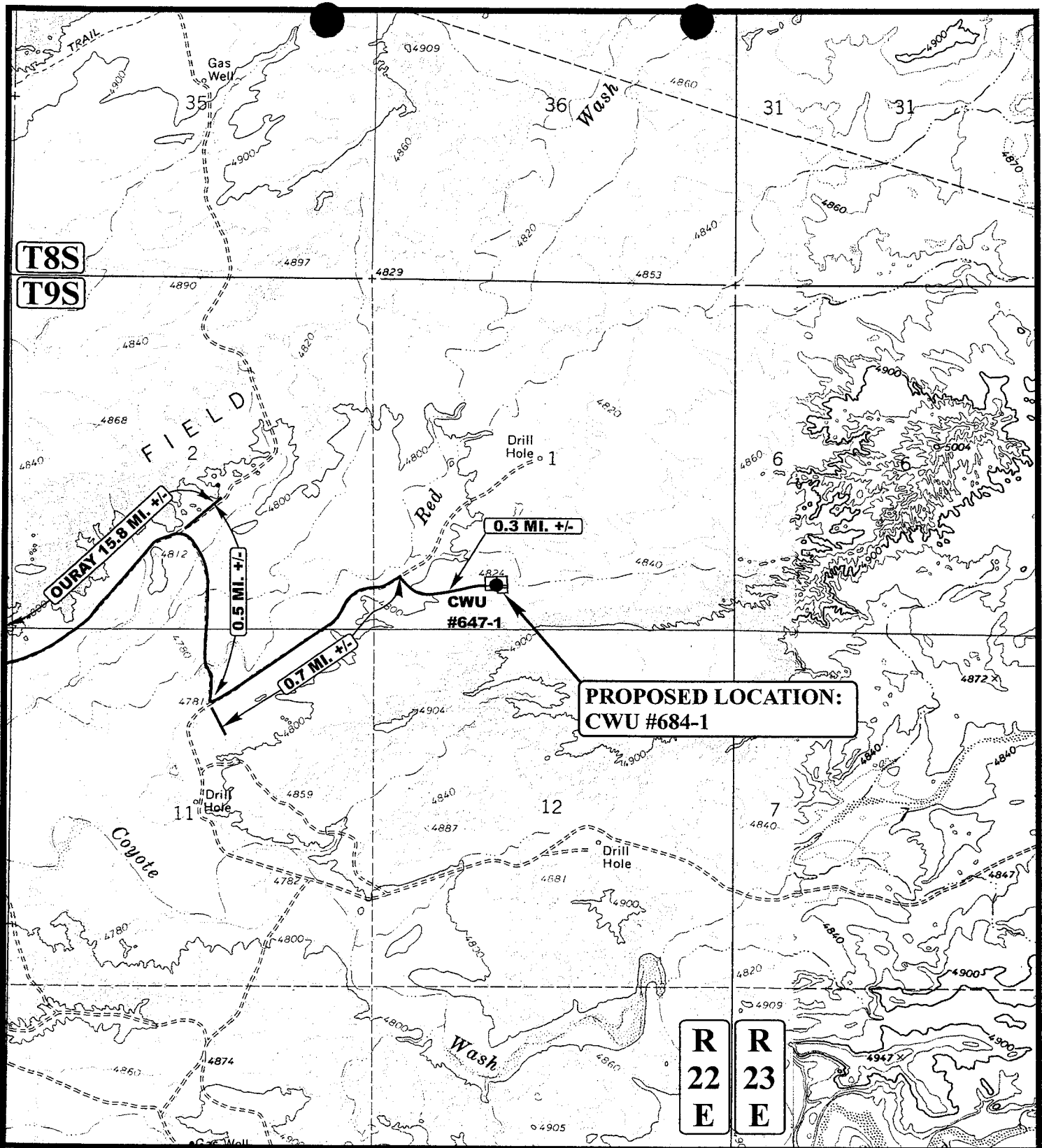
APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 840 Cu. Yds.
(New Construction Only)
Remaining Location = 4,340 Cu. Yds.
TOTAL CUT = 5,180 CU.YDS.
FILL = 2,940 CU.YDS.

EXCESS MATERIAL = 2,240 Cu. Yds.
Topsoil & Pit Backfill = 2,500 Cu. Yds.
(1/2 Pit Vol.)
DEFICIT UNBALANCE = <260> Cu. Yds.
(After Rehabilitation)

(Obtain Deficit Material From
Approved Barrow Area)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

PROPOSED ACCESS ROAD
 EXISTING ROAD



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



EOG RESOURCES, INC.

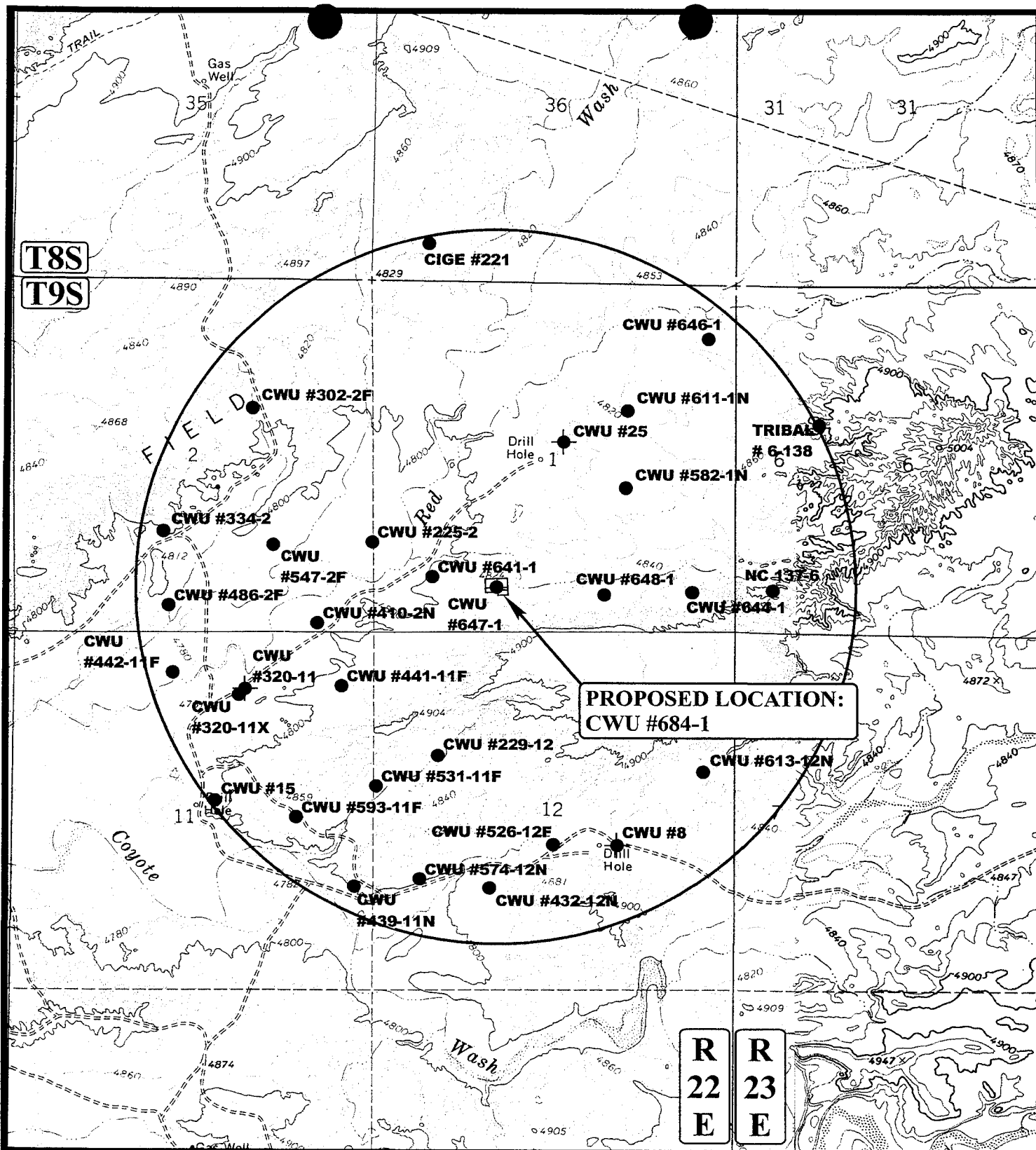
CWU#684-1
 SECTION 1, T9S, R22E, S.L.B.&M.
 640' FSL 1798' FWL

TOPOGRAPHIC
 MAP

05 09 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00

B
 TOPO



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



EOG RESOURCES, INC.

CWU #684-1
SECTION 1, T9S, R22E, S.L.B.&M.
640' FSL 1798' FWL

TOPOGRAPHIC
MAP

05 09 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/04/2005

API NO. ASSIGNED: 43-047-36936

WELL NAME: CWU 684-1

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SESW 01 090S 220E

SURFACE: 0640 FSL 1798 FWL

BOTTOM: 0640 FSL 1798 FWL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-01458

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: NHORN

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.05958

LONGITUDE: -109.3907

RECEIVED AND/OR REVIEWED:

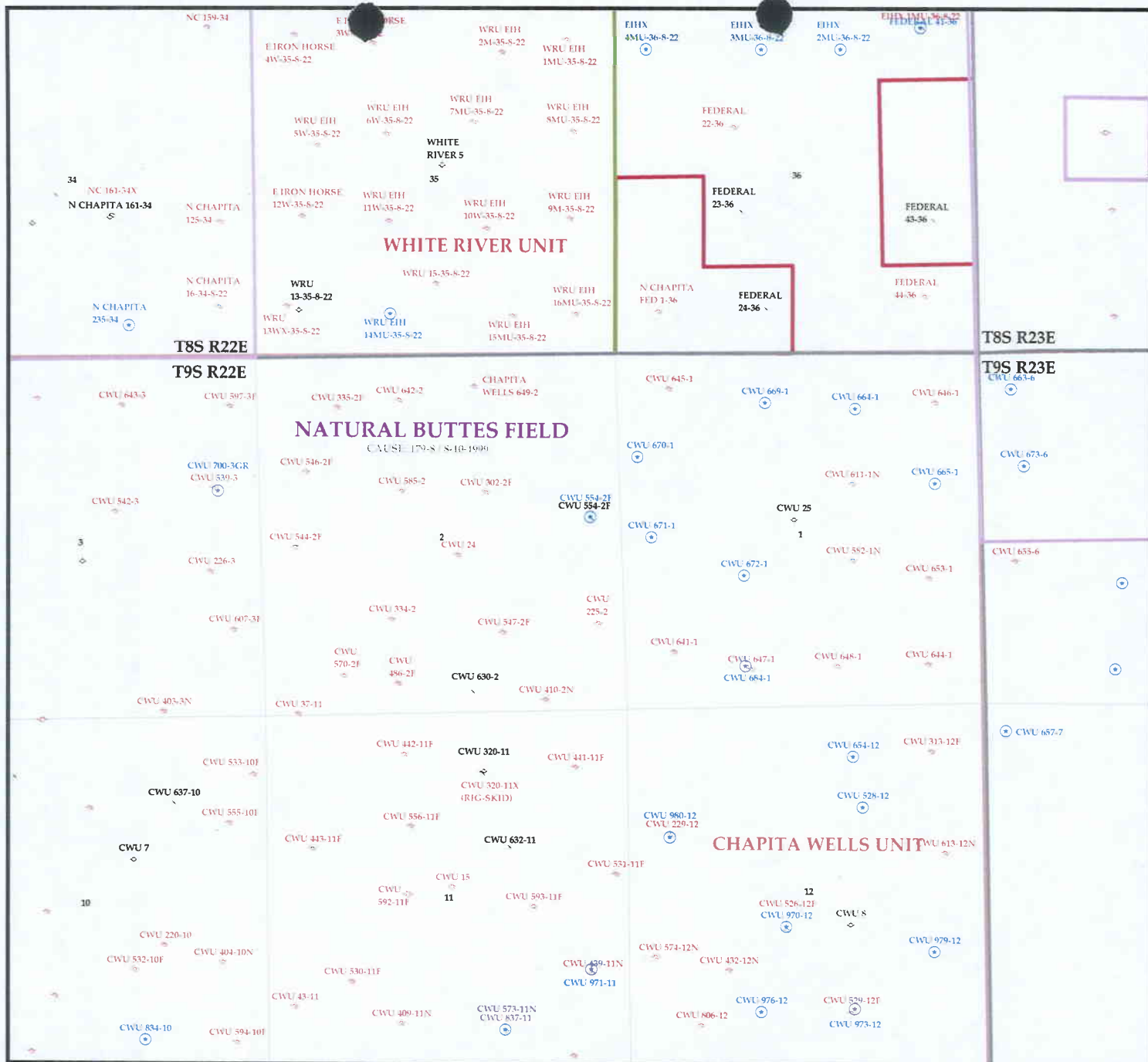
☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-1501)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

____ R649-2-3.
Unit CHAPITA WELLS
____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
____ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 171-8
Eff Date: 8-10-99
Siting: Suspends General Siting
____ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-Federal Approved
2-OIL SHALE



OPERATOR: EOG RESOURCES INC (N9550)

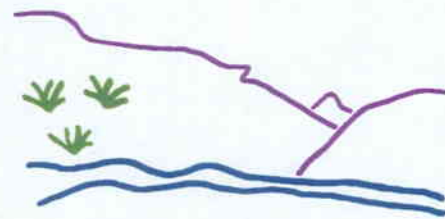
SEC: 1 & 2 T. 9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UTAH

CAUSE: 179-8 / 8-10-1999

LEGEND



Utah Oil Gas and Mining

PREPARED BY: DIANA WHITNEY
DATE: 5-AUG-2005

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 9, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Chapita Wells Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ North Horn)

43-047-36938 CWU 682-30 Sec 30 T09S R23E 2065 FNL 1989 FWL
43-047-36937 CWU 683-25 Sec 25 T09S R22E 1868 FSL 2021 FWL
43-047-36936 CWU 684-1 Sec 1 T09S R22E 0640 FSL 1798 FWL

As stated in our memo dated June 8, 2005, production from the North Horn formation will be allocated to the Wasatch Participating Area. This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 9, 2005

EOG Resources Inc.
P O Box 1815
Vernal, UT 84078

Re: Chapita Wells Unit 684-1 Well, 640' FSL, 1798' FWL, SE SW,
Sec. 1, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36936.

Sincerely,

Gil Hunt
Acting Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources Inc.
Well Name & Number Chapita Wells Unit 684-1
API Number: 43-047-36936
Lease: U-01458

Location: SE SW Sec. 1 T. 9 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

AUG 03 2005

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

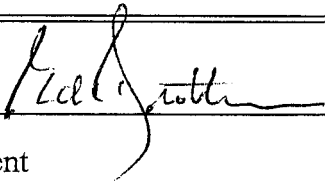
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-01458
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
3a. Address P.O. BOX 1815 VERNAL, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 684-1
3b. Phone No. (Include area code) (435)789-0790		9. API Well No. 43-047-36936
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 640' FSL, 1798' FWL SE/SW At proposed prod. Zone		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 17.3 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area SEC. 1, T9S, R22E, S.L.B.&M.
15. Distance from proposed* location to nearest property or lease line, ft. 640' (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease 320	12. County or Parish UINTAH
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth 7630'	13. State UTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4816.4 FEET GRADED GROUND	22. Approximate date work will start* UPON APPROVAL	17. Spacing Unit dedicated to this well
24. Attachments		20. BLM/BIA Bond No. on file NM-2308
23. Esti mated duration 45 DAYS		

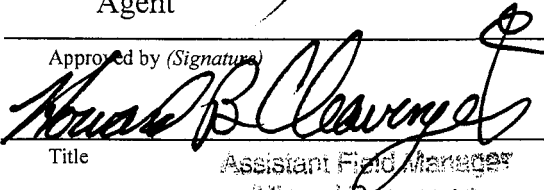
Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) Ed Trotter	Date July 29, 2005
---	---	------------------------------

Title
Agent

Approved by (Signature) 	Name (Printed/Typed) RECEIVED DEC 20 2005	Date 12/16/2005
Title Assistant Field Manager Mineral Resources	Office DIV OF OIL, GAS & MINING	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc.
Well No: CWU 684-1
API No: 43-047-36936

Location: SESW, Sec. 1, T9S, R22E
Lease No: UTU-01458
Agreement: N/A

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
After hours contact number: (435) 781-4513		FAX: (435) 781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Paul Buhler)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Paul Buhler)	- Prior to moving on the drilling rig.
Spud Notice (Notify PE)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify SPT)	- Twenty-Four (24) hours prior to running casing and cementing) all casing strings.
BOP & Related Equipment Tests (Notify SPT)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify PE)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

During interim management of the surface, use the following seed mix:

9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.

2. As a Best Management Practice (BMP), the pipeline will be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation).

3. Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

4. This well is ok from a Paleontological standpoint as long as there is no disturbance on the southside of the existing location.

If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil and Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. Proposed production casing cementing volumes are inadequate and do not circulate cement to a high enough fill-up. Additional cement beyond the proposed levels indicated in the operators application will need to be pumped. The cement volumes pumped shall include appropriate excess factors. For the cementing program of the production casing string, the circulation or top of cement on the production string is to be at a minimum two hundred feet (200') above the base of usable water. Per BLM estimates, the base of usable water is estimated to be at 1,516' feet. Production casing string circulation or top of cement is to be at or above depth feet 1,316 to include BSWtrUs.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil and Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil and Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR ' 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil and Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR ' 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Worland Field Office.

Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil and Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil and Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil and Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location ($\frac{1}{4}$ Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
15. Pursuant to Onshore Oil and Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to

the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-01458
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 640 FSL 1798 FWL 40.059575 LAT 109.390702 LON		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 684-01
PHONE NUMBER: (435) 789-0790		9. API NUMBER: 43-047-36936
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 1 9S 22E S.L.B. & M		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

COUNTY: UINTAH

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION -	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 07-27-06

By: [Signature]

NAME (PLEASE PRINT) Kaylene R. Gardner

TITLE Regulatory Assistant

SIGNATURE [Signature]

DATE 7/17/2006

(This space for State use only)

RECEIVED

JUL 20 2006

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-36933
Well Name: CHAPITA WELLS UNIT 684-01
Location: 640 FSL 1798 FWL (SESW), SECTION 1, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 8/9/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

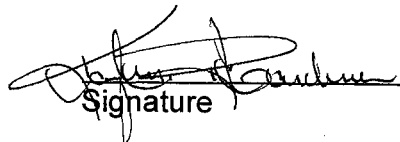
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

7/17/2006

Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED

JUL 20 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

640' FSL & 1798' FWL (SE/SW)
Sec. 1-T9S-R22E 40.059586 LAT 109.391350 LON

5. Lease Serial No.

U-01458

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 684-1

9. API Well No.

43-047-36936

10. Field and Pool, or Exploratory Area

Natural Buttes/Wasatch

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests that the drilling plan for the referenced well be changed as per the attached procedure.

COPY SENT TO OPERATOR
Date: 10/16/06
Initials: [Signature]

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 10/13/06
By: [Signature]

Federal Approval Of This
Action Is Necessary

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title Regulatory Assistant

Signature

[Signature of Mary A. Maestas]

Date

10/10/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

OCT 11 2006

(REVISED) EIGHT POINT PLAN

CHAPITA WELLS UNIT 684-01
SE/SW, SEC. 01, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2 ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	1,934'
C-Zone	2,265'
Mahogany Oil Shale Bed	2,616'
Middle Carb Bed	3,422'
Castle Peak MBR	4,506'
Uteland Butte MBR	4,785'
Wasatch	4,956'
Chapita Wells	5,557'
Buck Canyon	6,244'
North Horn	6,826'
Island	6,281'
KMV Price River	7,434'

EST. TD: 7,630' or 200' ± below Price River Top

Anticipated BHP: 3,770 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

							<u>RATING FACTOR</u>		
	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COLLAPSE /BURST/ TENSILE</u>		
Conductor:	17 ½"	0' – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

(REVISED) EIGHT POINT PLAN

CHAPITA WELLS UNIT 684-01
SE/SW, SEC. 01, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.0 – 9.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

CHAPITA WELLS UNIT 684-01
SE/SW, SEC. 01, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 152 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 550 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.
Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

CHAPITA WELLS UNIT 684-01
SE/SW, SEC. 01, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

From: <Mary_Maestas@eogresources.com>
To: "Diana Whitney" <DIANAWHITNEY@utah.gov>
Date: 10/12/2006 4:41:33 PM
Subject: Re: Sundries

My apologies about these sundries, Diana. Kaylene and I were in a rush to get these submitted and we forgot to detail the information in the sundry.

On all referenced wells, EOG is changing the depth of the 12-1/4" casing string from 500' to 2300'.

Sorry for the confusion. Unfortunately, I just sent some yesterday that are going to have the same problems. Let me know when you get those and I can check on what's changed for you on them as well.

Thanks,
Mary Maestas

"Diana Whitney"
<DIANAWHITNEY@utah.gov>
To
<mary_maestas@eogresources.com>
10/12/2006 04:07 PM cc
<Kaylene_Gardner@eogresources.com>
Subject
Sundries

Hi Mary,

On these sundries that you sent in, I'm not sure what exactly EOG wants to change. Will you let me know.

They are for the CWU 681-28, 685-29, 682-30, 684-1 3000-12GR and 695-32.

Thank you,
Diana

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 684-1

Api No: 43-047-36936 Lease Type: FEDERAL

Section 01 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # 1

SPUDDED:

Date 12/15/06

Time 2:00 PM

How DRY

Drilling will Commence: _____

Reported by DALL COOK

Telephone # (435) 828-3630

Date 12/20/2006 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc.
Address: 600 17th St., Suite 1000N
city Denver
state CO zip 80202

Operator Account Number: N 9550
Phone Number: (303) 824-5526

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36936	Chapita Wells Unit 684-1	SESW	1	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15845	12/15/2006	12/21/06		
Comments: <u>no</u>						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-37501	Chapita Wells Unit 1082-30	SWNW	30	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
1B	99999	13650	12/15/2006	12/21/06		
Comments: <u>PRR V = MVRD</u>						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

RECEIVED
DEC 19 2006

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

12/19/2006

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 3, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
1060 East Highway 40 Vernal, Ut 84078

3b. Phone No. (include area code)
435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**640' FSL & 1798' FWL (SE/SW)
Sec. 1-T9S-R22E 40.059575 LAT 109.390702 LON**

5. Lease Serial No.
U-01458

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and No.
Chapita Wells Unit

8. Well Name and No.
Chapita Wells Unit 684-1

9. API Well No.
43-047-36936

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other APD Renewal
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests the APD for the referenced well originally approved 12/22/2005 be extended for one year.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kaylene R. Gardner

Title **Sr. Regulatory Assistant**

Signature

Date

11/20/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Petroleum Engineer

Date

DEC 16 2006

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

UDOGM

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL

EOG Resources, Inc.

Notice of Intent APD Extension

Lease: U-01458
Well: CWU 684-1
Location: SESW Sec 1-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 12/16/07
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Jim Ashley of this office at (435) 781-4470.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
640' FSL & 1798' FWL (SE/SW)
Sec. 1-T9S-R22E 40.059586 LAT 109.391350 LON

5. Lease Serial No.

U-01458

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 684-1

9. API Well No.

43-047-36936

10. Field and Pool, or Exploratory Area

Natural Buttes/Wasatch

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 3/9/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title Regulatory Assistant

Signature

Mary A. Maestas

Date

03/13/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

WELL CHRONOLOGY REPORT

Report Generated On: 03-12-2007

Well Name	CWU 684-01	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS UNIT	API #	43-047-36936	Well Class	ISA
County, State	UINTAH, UT	Spud Date	01-24-2007	Class Date	03-09-2007
Tax Credit	N	TVD / MD	7,630/ 7,630	Property #	056782
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/ 0
KB / GL Elev	4,829/ 4,816				
Location	Section 1, T9S, R22E, SESW, 640 FSL & 1798 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	55.033	NRI %	46.667

AFE No	303400	AFE Total	1,231,200	DHC / CWC	686,900/ 544,300
Rig Contr	TRUE	Rig Name	TRUE #27	Start Date	10-06-2006
10-06-2006	Reported By	CINDY VAN RANKEN			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTB : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			640' FSL & 1798' FWL (SE/SW)
			SECTION 1, T9S, R22E
			UINTAH COUNTY, UTAH

LAT 40.059622, LONG 109.390667 (NAT 27)
LAT 40.059586, LONG 109.391350 (NAT 83)

TRUE #27
OBJECTIVE: 7630' TD, WASATCH
DW/GAS
CHAPITA WELLS PROSPECT
DD&A: NATURAL BUTTES
NATURAL BUTTES FIELD

LEASE: U-01458
ELEVATION: 4816' NAT GL, 4816.4' PREP GL (DUE TO ROUNDING 4816' IS THE PREP GL), 4829' KB (13')

EOG WI 55.0327%, NRI 46.813095%

12-13-2006 Reported By TERRY CSERE

DailyCosts: Drilling	\$39,900	Completion	\$0	Daily Total	\$39,900
Cum Costs: Drilling	\$39,900	Completion	\$0	Well Total	\$39,900
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED

12-14-2006 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$39,900	Completion	\$0	Well Total	\$39,900
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINING PIT.

12-15-2006 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$39,900	Completion	\$0	Well Total	\$39,900
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING.

12-18-2006 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$39,900	Completion	\$0	Well Total	\$39,900
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO BUCKET RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

12-19-2006 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$39,900	Completion	\$0	Well Total	\$39,900
MD	40	TVD	40	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 12/15/2006 @ 2:00 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. DALL COOK NOTIFIED MICHAEL LEE W/BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 12/15/2006 @ 12:30 PM.

01-03-2007 Reported By JERRY BARNES

DailyCosts: Drilling \$203,468 Completion \$0 Daily Total \$203,468

Cum Costs: Drilling \$243,368 Completion \$0 Well Total \$243,368

MD 2,553 TVD 2,553 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIGS AIR RIG #2 ON 12/22/06. DRILLED 12 1/4" HOLE TO 2580' GL. ENCOUNTERED WATER AT 2040'. RAN 59 JTS (2540.45') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2553' KB. RDMO CRAIGS #2 AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 1000 BBLS FRESH WATER & 180 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (40.9 BBLS) PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/193.4 BBLS FRESH WATER. BUMPED PLUG W/800# @ 1:18 PM, 12/28/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB #1: MIXED & PUMPED 125 SX (25.6 BBLS) OF PREMIUM CEMENT W/2% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS, 15 MIN.

TOP JOB #2: MIXED & PUMPED 125 SX (25.6 BBLS) OF PREMIUM CEMENT W/2% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS, 30 MIN.

TOP JOB #3: MIXED & PUMPED 250 SX (51.2 BBLS) OF PREMIUM CEMENT W/2% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HAD RETURNS. HOLE FILLED & STOOD FULL. RD BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

RAN SURVEY @ 2445', 2 1/4 DEG. TAGGED AT 2460'.

E JOHN HELCO NOTIFIED DONNA KENNY W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 12/27/2006 @ 8:30 AM.

01-22-2007 Reported By DUANE WINKLER

DailyCosts: Drilling \$27,347 Completion \$0 Daily Total \$27,347

Cum Costs: Drilling \$270,715 Completion \$0 Well Total \$270,715

MD 2,553 TVD 2,553 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG UP ROTARY TOOLS

Start End Hrs Activity Description

06:00 18:00 12.0 SAFETY MEETING WITH RW JONES TRUCKING / TRUE DRILLING / EOG, LOOKING & HELPING EACH OTHER. MOVE RIG FROM CWU 700-03 GR TO CWU 684-1, RIG MOVE WAS 3.5 MILES, RW JONES HAD TEN PERSONNEL, TRUE HAD SIXTEEN PERSONNEL, NO ACCIDENTS, NO INCIDENCE, FULL CREWS, NO RIG REPAIRS, ESTIMATED ON 1/23/2007 BOP TEST, SPUD 1/24/2007

01-23-2007 Reported By DUANE WINKLER

DailyCosts: Drilling \$27,347 Completion \$0 Daily Total \$27,347

Cum Costs: Drilling	\$298,062	Completion	\$0	Well Total	\$298,062
MD	2,553	TVD	2,553	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time:	RIG UP ROTARY TOOLS				

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SAFETY MEETING WITH RW JONES TRUCKING, TRUE DRILLING & EOG: LOOKING & HELPING EACH OTHER. MOVE RIG FROM CWU 700-03 GR TO CWU 684-1. RIG MOVE WAS 3.5 MILES.

RW JONES HAD TEN PERSONNEL, TRUE HAD SIXTEEN PERSONNEL
 NO ACCIDENTS/NO INCIDENCE
 FULL CREWS
 NO RIG REPAIRS
 ESTIMATED ON 1/23/2007 BOP TEST
 ESTIMATED SPUD 1/24/2007

01-24-2007 Reported By DUANE WINKLER

DailyCosts: Drilling	\$44,779	Completion	\$0	Daily Total	\$44,779
Cum Costs: Drilling	\$342,841	Completion	\$0	Well Total	\$342,841
MD	2,553	TVD	2,553	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time:	PU BHA & DP				

Start	End	Hrs	Activity Description
06:00	20:00	14.0	CWU 700-03 GR LOCATION CHECKED AND PHOTOGRAPHED. VACUUM TRUCKS HAULED OUT OF RESERVE PIT TO LOWER LEVEL. JCS ROUSTABOUT CREW INSTAL FENCE AND COMPLETE FINAL CLEAN UP ON RESERVE PIT AND LOCATION, RESERVE PIT, LOCATION CLEAN. NO MATERIALS, TRASH, EQUIPMENT LEFT ON LOCATION. RIG MOVE 3.5 MILES TO THE CWU 684-01. CWU 684-01 RIG UP ROTARY TOOLS.
20:00	21:00	1.0	NIPPLE UP BOP. DAY WORK STARTED 1/23/2007 @ 20:00 HRS.
21:00	01:30	4.5	TEST BOPS/DIVERTER: PRESSURE TEST BOP'S, CHOKE, KELLY, IBOP, TIW AND ALL HP VALVES 250 PSI/5MIN, 5000 PSI/10 MIN. TEST ANNULAR 250 PSI/5MIN, 2500 PSI/10 MIN. TEST 9 5/8" CASING TO 2500 PSI/30 MIN. ACCUMULATOR FUNCTION TEST WAS WITHIN LIMITS.
01:30	02:00	0.5	SAFETY MEETING WITH CALIBER LAY DOWN CREW, TRUE, EOG.
02:00	06:00	4.0	PICKING UP BHA.

NO ACCIDENTS / NO INCIDENTS
 FULL CREWS
 NO RIG REPAIRS
 SAFETY MEETING: OPERATING WEED BURNER/NIPPLE UP BOP
 FUEL ON HAND 5535 GALS, USED 965 GALS
 MUD LOGGER ON LOCATION 1/23/07

01-25-2007 Reported By PAUL WHITE

DailyCosts: Drilling	\$82,320	Completion	\$0	Daily Total	\$82,320
Cum Costs: Drilling	\$424,773	Completion	\$0	Well Total	\$424,773
MD	4,021	TVD	4,021	Progress	1,421
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time:	DRILLING				

Start	End	Hrs	Activity Description
--------------	------------	------------	-----------------------------

06:00 08:30 2.5 PU LD BHA & TOOLS. TAG CEMENT @ 2450'.
 08:30 10:00 1.5 RU RD SERVICE TOOLS.
 10:00 13:00 3.0 DRILL CEMENT/FLOAT EQUIPMENT FLOAT 2515', SHOE 2552'. DRILL TO 2600' FOR FIT TEST.
 13:00 13:30 0.5 FIT TEST AT 2600' TO 10.9 PPG, EQUIVALENT MUD WT.
 13:30 14:00 0.5 DRILL ROTATE 2600' TO 2646'.
 14:00 14:30 0.5 SERVICE RIG.
 14:30 16:00 1.5 DRILL ROTATE 2646' - 2807', 161', 1.5 HRS, 107 FPH.
 16:00 19:00 3.0 RIG REPAIR, DRAIN PILL TANK AND CHANGE BUTTERFLY VALVE IN ORDER TO ISOLATE WASHED OUT CENTRIFUGAL PUMP. INSTALL SCREEN IN SUCTION LINE.
 19:00 01:30 6.5 DRILL ROTATE 2807' TO 3584', 777', 6.5 HRS, 119 FPH.
 01:30 02:00 0.5 SURVEY @ 3506', 1 DEG.
 02:00 06:00 4.0 DRILL ROTATE 3584' TO 4021', 437', 4 HRS, 108 FPH, WOB 21, RPM 67, MM RPM 67, 420 GPM. MUD WT 8.8, VIS 35.

TOPS: MAHOGANY OIL SHALE BED 2611', MIDDLE CARB BED 3438'.

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: SLIP AND TRIP HAZARDS/WORKING AROUND BOILERS

FULL CREWS

CHECK CROWN-O-MATIC

FUEL ON HAND 4338 GALS, USED 1197 GALS

06:00 18.0 SPUD 7 7/8" HOLE AT 13:30 HRS, 1/24/07.

01-26-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$42,245	Completion	\$2,896	Daily Total	\$45,141
Cum Costs: Drilling	\$467,018	Completion	\$2,896	Well Total	\$469,914
MD	4,951	TVD	4,951	Progress	930
Days	2	MW	9.2	Visc	33.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: TRIP FOR BIT

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL ROTATE 4021' TO 4460', 439', 5 HRS, 87 FPH, P RATE SLOWED TO 15 FPH. PREP FOR TRIP.
11:00	18:00	7.0	TRIP FOR BIT AT 4460', SURVEY AT 4382', 1 DEG. CHANGE MOTOR, LAY DOWN REAMERS. CHECK CROWN-O-MATIC AND FUNCTION TEST BOPS. BIT CONDITION IS 6 BROKEN CUTTERS ON HEEL ROW. ON TRIP IN HOLE DISCOVERED TONG DIE MISSING FROM BREAK OUT TONGS.
18:00	03:00	9.0	DRILL ROTATE, BIT DRILLED WELL UNTIL FIRST CONNECTION THEN TONG DIE APPEARED ON BOTTOM. WASH BOTTOM AND WORK PIPE. GOT DIE ON TOP OF BIT, PERIODICALLY FALLING BELOW.
03:00	03:30	0.5	SERVICE RIG.
03:30	05:00	1.5	DRILL ROTATE 4919' TO 4951', 32', 1.5 HRS.
05:00	06:00	1.0	CIRC. MIX PILL, BLOW DOWN MUD LINES AND KELLY. TRIP OUT FOR BIT.

MUD WT 9.6, VIS 36

TOP OF MAHOGANY 2611', MIDDLE CARB BED 3408', CASTLE PEAK 4531', UTELAND BUTTE 4804'

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: PPE/TRIPPING IN COLD COND

FULL CREWS

CHECK CROWN-O-MATIC

FUEL ON HAND 2992 GALS, USED 1346 GALS

01-27-2007	Reported By	PAUL WHITE									
Daily Costs: Drilling	\$55,756	Completion	\$3,939	Daily Total	\$59,695						
Cum Costs: Drilling	\$522,774	Completion	\$6,835	Well Total	\$529,609						
MD	5,300	TVD	5,300	Progress	349	Days	3	MW	9.6	Visc	35.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	TRIP FOR BIT. FUNCTION TEST BOPS AND SAFETY VALVES. CHECK CROWN-O-MATIC. SERVICE RIG.
12:00	12:30	0.5	WASH TO BOTTOM, NO EVIDENCE OF JUNK.
12:30	22:00	9.5	DRILL 4951' TO 5166', 215', 9.5 HRS, 22 FPH, RPM 35/70, WOB 12/35, GPM 420, MM RPM 67. PENETRATION RATE SLOWED TO BELOW 9 FPH. PREP FOR TRIP.
22:00	23:00	1.0	CIRCULATE MIX PILL. BLOW DOWN KELLY AND MUD LINES.
23:00	03:00	4.0	TRIP FOR BIT. BIT CONDITION 1, SHOWED NO WEAR OR DAMAGE. MAKE UP 506Z WITH 6 15 NOZZLES. RIH.
03:00	06:00	3.0	DRILL 5166' TO 5300', 134', 3 HRS, 45 FPH, WOB 18, RPM 60, 420 GPM, PSI 1600. MUD WT 9.9, VIS 38.

FORMATION TOPS: UTELAND BUTTE 4804', WASATCH 4971'

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: ROUTINE DAILY CHECKING OF TONG DIE KEEPERS/TEAM WORK

FULL CREW

CHECK CROWN-O-MATIC

MUD WT AT REPORT TIME 9.9 PPG

FUEL ON HAND 6133 GALS, RECEIVED 4000 GALS, USED 1359 GALS

01-28-2007	Reported By	PAUL WHITE									
Daily Costs: Drilling	\$38,441	Completion	\$0	Daily Total	\$38,441						
Cum Costs: Drilling	\$561,216	Completion	\$6,835	Well Total	\$568,051						
MD	6,720	TVD	6,720	Progress	1,420	Days	4	MW	9.9	Visc	36.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL 5300' TO 5760', 460', 5.5 HRS, 84 FPH.
11:30	12:00	0.5	SERVICE RIG.
12:00	06:00	18.0	DRILL 5760' TO 6720', 18 HRS, 960', 53 FPH, RPM 55, WOB 20, GPM 420, MM RPM 67. MUD WT 10.3, VIS 39.

TOPS: CHAPITA WELLS 5555', BUCK CANYON 6267'

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: COMMUNICATION W/RELIEF/COLD WEATHER FREEZE PRECAUTIONS

FULL CREWS

CHECK CROWN-O-MATIC

BOP DRILL

FUEL ON HAND 4721 GALS, USED 1420 GALS

01-29-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$55,077	Completion	\$3,624	Daily Total	\$58,701
Cum Costs: Drilling	\$616,294	Completion	\$10,459	Well Total	\$626,753
MD	7,570	TVD	7,570	Progress	850
		Days	5	MW	10.2
				Visc	36.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL 6720' TO 6732', 12', 24 FPH.
06:30	08:00	1.5	SERVICE RIG.
08:00	00:00	16.0	DRILL 6732' TO 7370', 638', 16 HRS, WOB 20, RPM 50/57, MM RPM 67, 420 GPM.
00:00	01:00	1.0	WORK ON #2 PUMP, CHANGE CENTER SWAB. THAW OUT ROD OILER SYSTEM IN #1 PUMP.
01:00	06:00	5.0	DRILL 7370' TO 7570', 5 HRS, 200', 40 FPH, WOB 23, RPM 67, MM RPM 67, 420 GPM, MUD WT 10.5, VIS 37.

TOPS: NORTH HORN 6831', HAVE NOT IDENTIFIED TOP OF Kmv PRICE RIVER AT REPORT TIME

TEMP -2 DEG

FULL CREWS

CHECK CROWN-O-MATIC, HELD BOP DRILL

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: PINCH POINTS/FALL PROTECTION

FUEL ON HAND 2692 GALS, USED 2020 GALS

RIG MOVE TO CWU 3004-12GR, 3 MILES

PLAN TO MOVE CAMP TUESDAY AM, PIPE AND TAIL ROLL LOADS IN PM WHILE RIGGING DOWN PLAN TO MAKE MAIN RIG MOVE WEDNESDAY AM

01-30-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$53,279	Completion	\$18,383	Daily Total	\$71,662
Cum Costs: Drilling	\$669,573	Completion	\$28,842	Well Total	\$698,415
MD	7,630	TVD	7,630	Progress	25
		Days	6	MW	10.6
				Visc	37.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: CEMENT PROD CASING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL 7570' TO 7605', 35'.
07:00	07:30	0.5	SERVICE RIG.
07:30	08:00	0.5	DRILL 7605' TO 7630' TD. REACHED TD AT 08:00 HRS, 1/29/07.
08:00	09:30	1.5	CIRCULATE. MIX PILL AND SHORT TRIP 15 STANDS.
09:30	10:00	0.5	WASH FROM 7580' TO 7630'.
10:00	11:30	1.5	CIRCULATE. RIG UP WEATHERFORD LAY DOWN CREW. HOLD PRE-JOB SAFETY MEETING.
11:30	12:00	0.5	RAN SURVEY.
12:00	18:00	6.0	LAY DOWN DRILL PIPE AND BHA. BREAK KELLY.
18:00	18:30	0.5	PULL WEAR BUSHING.
18:30	19:30	1.0	RIG UP WEATHERFORD CASING CREW. PRE-JOB SAFETY MEETING.
19:30	22:30	3.0	RUN 4.5", 11.6#, HC P-110 CASING. HIT BRIDGE IN HOLE AT 7515'.

22:30 01:30 3.0 INSTALL SWAGE AND ATTEMPT TO CIRCULATE. SHOE PLUGGED, UNABLE TO CIRCULATE WITH RIG PUMP. RIG UP SCHLUMBERGER, PRESSURE UP AND UNPLUG SHOE W/2600 PSI.

01:30 04:00 2.5 CIRCULATE. WASH CASING TO BOTTOM. TAG AT 7630'.

04:00 05:00 1.0 RAN 178 JTS (176 FULL JTS & 2 MKR JTS) 4.5", 11.6, # P-110 LTC PRODUCTION CASING EQUIPPED W/DAVIS LYNCH DIFFERENTIAL FILL FLOAT SHOE AND FLOAT COLLAR. CENTRILIZERS PLACED 5' ABOVE SHOE, ON TOP OF SECOND JOINT AND EVERY OTHER JOINTS AFTER FOR A TOTAL OF 30. RAN AS FOLLOWS: SHOE AT 7615', 1 JT CASING, FLOAT COLLAR AT 7568', 3 JTS CASING, 22' MARKER JT AT 7420', 68 JTS CASING, 22' MARKER JT AT 4527', 106 JTS CASING. TESTED HANGER SEALS TO 5000 PSI, CEMENT IN PLACE AT 07:30 HRS, 1/30/06. FULL CIRCULATION DURING JOB.

AFTER TAGGING BOTTOM, LAY DOWN TAG JOINT AND PICKUP MANDRIL HANGER. LOWER INTO POSITION FOR CEMENTING.

05:00 06:00 1.0 CIRCULATING. RIG SCHLUMBERGER TO CEMENT.

NO ACCIDENTS OR INCIDENTS

SAFETY MEETINGS WITH THIRD PARTY SERVICE COMPANIES REGARDING OPERATIONS & NEW CREW MEN.

FUEL ON HAND 3590 GALS, REC 2000 GALS, USED 1102 GALS

NOTIFIED JAMIE SPARGER W/VERNAL BLM (LEFT MESSAGE) AT 09:00 HRS, 1/29/07 OF OUR INTENTION TO RUN CASING AND CEMENT.

01-31-2007 Reported By PAUL WHITE

DailyCosts: Drilling \$26,092 Completion \$126,071 Daily Total \$152,163

Cum Costs: Drilling \$695,665 Completion \$154,913 Well Total \$850,578

MD 7,630 TVD 7,630 Progress 0 Days 7 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:30	1.5	CIRCULATE AND RIG UP SCHLUMBERGER. SCHLUMBER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLs WATER, 20 BBLs CHEM WASH, 153.9 BBLs LEAD SLURRY (G) CEMENT. SLURRY WT. 11.5 PPG. (290 SX). FOLLOWED W/215.9 BBLs. TAIL SLURRY, 50/50 POZ "G" SLURRY WT. 14.1 PPG. (940 SX), DISPLACED W/118 BBLs. WATER. BUMPED PLUG W/3250 PSI, CHECKED FLOATS. TESTED HANGER SEALS TO 5000 PSI, CEMENT IN PLACE AT 07:30 HRS, 1/30/06. FULL CIRCULATION DURING JOB.

07:30 08:00 0.5 RIG DOWN SCHLUMBERGER.

08:00 09:00 1.0 NIPPLE DOWN. CLEAN MUD TANKS, DRAIN UP RIG.

09:00 18:00 9.0 CONTINUE RIG DOWN ROTARY TOOLS FOR MOVE TO CWU 3004-12GR, 3 MILE MOVE. MOVE PIPE TUBS AND AUX RIG EQUIPMENT.

NO ACCIDENTS, ONE NEAR MISS WHICH WILL BE REPORTED SEPERATELY

TRANSFERRED 4 JTS OF P-110 TO CWU 695-32

TRANSFERRED 3590 GALS FUEL FROM CWU 684-01 TO CWU 3004-12GR

18:00 6.0 RIG RELEASED AT 09:00 HRS, 1/30/07

CASING POINT COST: \$695,666

02-07-2007 Reported By SEARLE

DailyCosts: Drilling \$0 Completion \$35,652 Daily Total \$35,652

Cum Costs: Drilling	\$695,665	Completion	\$190,565	Well Total	\$886,230
MD	7,630	TVD	7,630	Progress	0
			Days	8	MW
				0.0	Visc
					0.0
Formation :	PBTD : 7568.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 50'. CEMENT TOP ABOVE 50'. RD SCHLUMBERGER.

02-10-2007 Reported By MCCURDY

DailyCosts: Drilling	\$0	Completion	\$2,050	Daily Total	\$2,050
Cum Costs: Drilling	\$695,665	Completion	\$192,615	Well Total	\$888,280
MD	7,630	TVD	7,630	Progress	0
			Days	9	MW
				0.0	Visc
					0.0
Formation :	PBTD : 7568.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
10:00	11:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

02-13-2007 Reported By HAL IVIE

DailyCosts: Drilling	\$0	Completion	\$1,895	Daily Total	\$1,895
Cum Costs: Drilling	\$695,665	Completion	\$194,510	Well Total	\$890,175
MD	7,630	TVD	7,630	Progress	0
			Days	9	MW
				0.0	Visc
					0.0
Formation : WASATCH	PBTD : 7568.0		Perf : 5819-7392'	PKR Depth : 0.0	

Activity at Report Time: FRAC WASATCH

Start	End	Hrs	Activity Description
06:00	18:30	12.5	RUWL. PERFORATED NORTH HORN FROM 7140-41', 7152-53', 7177-79', 7190-91', 7242-43', 7272-73', 7319-20', 7344-45', 7356-57', 7363-64', 7383-84' & 7391-92' @ 3 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4174 GAL YF125ST+ PAD, 32950 GAL YF125ST+ & YF118ST+ WITH 110800# 20/40 SAND @ 1-4 PPG. MTP 7388 PSIG. MTR 46.5 BPM. ATP 4405 PSIG. ATR 43.8 BPM. ISIP 2640 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6975'. PERFORATED Bf FROM 6727-28', 6741-42', 6749-50', 6770-71', 6801-02', 6816-17', 6833-34', 6909-10', 6914-15', 6937-38' & 6954-55' @ 3 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 4161 GAL YF125ST+ PAD, 37472 GAL YF125ST+ & YF118ST+ WITH 92800# 20/40 SAND @ 1-4 PPG. MTP 7602 PSIG. MTR 44.9 BPM. ATP 4087PSIG. ATR 41.7 BPM. ISIP 1754 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6690'. PERFORATED Ba & Bf FROM 6442-43', 6508-09', 6523-34', 6555-56', 6575-76', 6605-0', 6622-23', 6631-32', 6639-40', 6660-61', 6678-79' @ 3 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 3108 GAL YF125ST+ PAD, 25788 GAL YF125ST+ & YF118ST+ WITH 23000# 20/40 SAND @ 1-2 PPG. MTP 4845 PSIG. MTR 45.4 BPM. ATP 3574 PSIG. ATR 41.0 BPM. ISIP 1730 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6390'. PERFORATED Ba FROM 6327-29', 6335-38', 6362-64' & 6377-79' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 3533 GAL YF125ST+ PAD, 29227 GAL YF125ST+ & YF120ST+ WITH 72000# 20/40 SAND @ 1-4 PPG. MTP 3694 PSIG. MTR 35.2 BPM. ATP 2382 PSIG. ATR 32.4 BPM ISIP 1660 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6290'. PERFORATED Ca & Ba FROM 6054-57', 6065-66', 6072-73', 6103-04', 6133-34', 6187-88', 6208-09', 6217-18', 6258-59' & 6274-75' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 3536 GAL YF125ST+ PAD, 29392 GAL YF125ST+ & YF118ST+ WITH 73300# 20/40 SAND @ 1-4 PPG. MTP 4836 PSIG. MTR 35.5 BPM. ATP 2719 PSIG. ATR 33.4 BPM. ISIP 1940 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 5950'. PERFORATED Ca FROM 5819-20', 5832-34', 5844-47', 5857-59', 5878-79', 5910-11' & 5923-24' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 4157 GAL YF123ST+ PAD, 33307 GAL YF123ST+ & YF118ST+ WITH 84700# 20/40 SAND @ 1-4 PPG. MTP 3407 PSIG. MTR 35.5 BPM. ATP 2555 PSIG. ATR 33.7 BPM. ISIP 2,000 PSIG. RD SCHLUMBERGER. SDFN.

02-14-2007		Reported By		HAL IVIE							
DailyCosts: Drilling		\$0		Completion		\$244,465		Daily Total		\$244,465	
Cum Costs: Drilling		\$695,665		Completion		\$438,975		Well Total		\$1,134,640	
MD	7,630	TVD	7,630	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation : WASATCH			PBTB : 7568.0			Perf : 5365'-- 7392'			PKR Depth : 0.0		
Activity at Report Time: PREP TO MIRUSU											
Start	End	Hrs	Activity Description								
06:00	12:00	6.0	SICP 584 PSIG. RUWL. SET 10K CFP AT 5730'. PERFORATED CA FROM 5666-68', 5675-79', 5694-95', 5703-04' & 5711-12' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 3124 GAL YF125ST+ PAD, 21320 GAL YF125ST+ & YF120ST+ WITH 50400# 20/40 SAND @ 1-4 PPG. MTP 3192 PSIG. MTR 35.5 BPM. ATP 2477 PSIG. ATR 32.3 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.								

RUWL. SET 10K CFP AT 5415'. PERFORATED PP FROM 5365-66', 5371-73', 5378-79', 5386-87', 5395-97' & 5400-01' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 3536 GAL YF125ST+ PAD, 28468 GAL YF125ST+ & YF120ST+ WITH 70040# 20/40 SAND @ 1-4 PPG. MTP 3078 PSIG. MTR 35.5 BPM. ATP 2478 PSIG. ATR 33.6 BPM. ISIP 1965 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 5265'. BLED OFF PRESSURE. RDWL. SDFN.

02-15-2007		Reported By		POWELL							
DailyCosts: Drilling		\$0		Completion		\$2,702		Daily Total		\$2,702	
Cum Costs: Drilling		\$695,665		Completion		\$441,677		Well Total		\$1,137,342	
MD	7,630	TVD	7,630	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation : WASATCH		PBSD : 7568.0				Perf : 5365'- 7392'				PKR Depth : 0.0	
Activity at Report Time: DRILL OUT PLUGS											
Start	End	Hrs	Activity Description								
07:00	12:00	5.0	MIRU. RIH W/3-7/8" BIT & PUMP OFF SUB,TAG PLUG @ 5265'. RU TO DRILL OUT PLUGS. SIFN.								

02-16-2007		Reported By		POWELL							
DailyCosts: Drilling		\$0		Completion		\$38,166		Daily Total		\$38,166	
Cum Costs: Drilling		\$695,665		Completion		\$479,843		Well Total		\$1,175,508	
MD	7,630	TVD	7,630	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation : WASATCH			PBSD : 7568.0			Perf : 5365'– 7392'			PKR Depth : 0.0		
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
07:00	17:30	10.5	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5415', 5730', 5950', 6290', 6390', 6690' & 6975'. RIH. CLEANED OUT TO PBSD @ 7560'. LANDED TBG AT 5998' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RU TO SWAB. IFL @ 1300'. MADE 11 RUNS & WELL STARTED FLOWING.								

FLOWED 12 HRS. 16/64" CHOKE. FTP 850 PSIG. CP 1000 PSIG. 17BFPH. RECOVERED 277 BLW.
6524 BLWTR

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
1 JT 2- 3/8" 4.7# N-80 TBG 32.70'
XN NIPPLE 1.10'
183 JTS 2-3/8" 4.7# N-80 TBG 5950.81'
BELOW KB 12.00'
LANDED @ 5997.61' KB

02-17-2007 **Reported By** POWELL

Daily Costs: Drilling	\$0	Completion	\$2,250	Daily Total	\$2,250
Cum Costs: Drilling	\$695,665	Completion	\$482,093	Well Total	\$1,177,758

MD 7,630 **TVD** 7,630 **Progress** 0 **Days** 13 **MW** 0.0 **Visc** 0.0

Formation : WASATCH **PBTD : 7568.0** **Perf : 5365'- 7392'** **PKR Depth : 0.0**

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 950 PSIG. CP 1300 PSIG. 9 BFPH. RECOVERED 261BLW. 5986 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 2/16/07

03-12-2007 **Reported By** DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$695,665	Completion	\$482,093	Well Total	\$1,177,758

MD 7,630 **TVD** 7,630 **Progress** 0 **Days** 14 **MW** 0.0 **Visc** 0.0

Formation : WASATCH **PBTD : 7568.0** **Perf : 5365'- 7392'** **PKR Depth : 0.0**

Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 1400 & CP 1450 PSI. TURNED WELL TO QUESTAR SALES AT 10:00 AM, 3/9/07. FLOWED 1025 MCFD RATE ON 14/64" POS CHOKE.

3/11/07 FLOWED 750 MCF, 60 BO & 20 BW IN 24 HRS ON 14/64" CHOKE, TP 1280 PSIG, CP 1400 PSIG.

3/12/07 FLOWED 732 MCF, 60 BO & 25 BW IN 24 HRS ON 14/64" CHOKE, TP 1200 PSIG, CP 1350 PSIG.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 684-01

API number: _____

Well Location: QQ SESW Section 1 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIG'S ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1367

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
2,040	2,480	NO FLOW	NOT KNOWN

Formation tops: 1 _____ 2 _____ 3 _____
(Top to Bottom) 4 _____ 5 _____ 6 _____
 7 _____ 8 _____ 9 _____
 10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 3/26/2007

RECEIVED

MAR 28 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. U-01458							
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other _____		6. If Indian, Allottee or Tribe Name							
2. Name of Operator EOG Resources, Inc.		7. Unit or CA Agreement Name and No. Chapita Wells Unit							
3. Address 600 17th Street, Suite 1000N, Denver, CO 80202		8. Lease Name and Well No. Chapita Wells Unit 684-1							
3a. Phone No. (include area code) 303-824-5526		9. AFI Well No. 43-047-36936							
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 640' FSL & 1798' FWL (SESW) 40.059586 LAT 109.391350 LON At top prod. interval reported below Same At total depth Same		10. Field and Pool, or Exploratory Natural Buttes/Wasatch							
14. Date Spudded 12/15/2006		11. Sec., T., R., M., on Block and Survey or Area Sec. 1-T9S-R22E							
15. Date T.D. Reached 01/29/2007		12. County or Parish Uintah County							
16. Date Completed 03/09/2007 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		13. State UT							
17. Elevations (DF, RKB, RT, GL)* 4816' NAT GL									
18. Total Depth: MD 7630 TVD		19. Plug Back T.D.: MD 7568 TVD							
20. Depth Bridge Plug Set: MD TVD									
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VDL/GR		22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)							
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2553		700 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-7615		1230 sx			
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-3/8"	5998								
25. Producing Intervals									
Formation		Top	Bottom	Perforated Interval		Size	No. Holes	Perf. Status	
A) Wasatch		5365	7392	7140-7392			3/spf		
B)				6727-6955			3/spf		
C)				6442-6679			3/spf		
D)				6327-6379			3/spf		
26. Perforation Record									
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval		Amount and Type of Material							
7140-7392		37,289 GALS GELLED WATER & 110,800# 20/40 SAND							
6727-6955		41,633 GALS GELLED WATER & 92,800# 20/40 SAND							
6442-6679		28,896 GALS GELLED WATER & 23,000# 20/40 SAND							
6327-6379		32,760 GALS GELLED WATER & 72,000# 20/40 SAND							
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
03/09/2007	03/18/2007	24	→	8	783	21			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
1-4/64"	1175	1225	→	8	783	21			PRODUCING GAS WELL
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

RECEIVED

MAR 28 2007

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Wasatch	5365	7392		Wasatch Chapita Wells Buck Canyon North Horn Mesaverde	4959 5561 6209 6924 7432

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

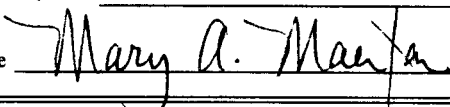
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.) ☐ Geologic Report ☐ DST Report ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification ☐ Core Analysis ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) **Mary A. Maestas**Title **Regulatory Assistant**

Signature

Date **03/26/2007**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Chapita Wells Unit 684-1 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

6054-6275	3/spf
5819-5924	3/spf
5666-5712	3/spf
5365-5401	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

6054-6275	32,928 GALS GELLED WATER & 73,300# 20/40 SAND
5819-5924	37,464 GALS GELLED WATER & 84,700# 20/40 SAND
5666-5712	24,444 GALS GELLED WATER & 50,400# 20/40 SAND
5365-5401	32,004 GALS GELLED WATER & 70,040# 20/40 SAND

Perforated the North Horn from 7140-7141', 7152-7153', 7177-7179', 7190-7191', 7242-7243', 7272-7273', 7319-7320', 7344-7345', 7356-7357', 7363-7364', 7383-7384' & 7391-7392' w/ 3 spf.

Perforated the Bf from 6727-6728', 6741-6742', 6749-6750', 6770-6771', 6801-6802', 6816-6817', 6833-6834', 6909-6910', 6914-6915', 6937-6938' & 6954-6955' w/ 3 spf.

Perforated the Ba/Bf from 6442-6443', 6508-6509', 6523-6524', 6555-6556', 6575-6576', 6605-6606', 6622-6623', 6631-6632', 6639-6640', 6660-6661' & 6678-6679' w/ 3 spf.

Perforated the Buck Canyon from 6327-6329', 6335-6338', 6362-6364' & 6377-6379' w/ 3 spf.

Perforated the Buck Canyon/Chapita Wells from 6054-6057', 6065-6066', 6072-6073', 6103-6104', 6133-6134', 6187-6188', 6208-6209', 6217-6218', 6258-6259' & 6274-6275' w/ 3 spf.

Perforated the Chapita Wells from 5819-5820', 5832-5834', 5844-5847', 5857-5859', 5878-5879', 5910-5911' & 5923-5924' w/ 3 spf.

Perforated the Chapita Wells from 5666-5668', 5675-5679', 5694-5695', 5703-5704' & 5711-5712' w/ 3 spf.

Perforated the Pp from 5365-5366', 5371-5373', 5378-5379', 5386-5387', 5395-5397' & 5400-5401' w/ 3 spf.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
UTU01458

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI8. Well Name and No.
CHAPITA WELLS UNIT 684-019. API Well No.
43-047-3693610. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH11. County or Parish, and State
UINTAH COUNTY, UT**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
EOG RESOURCES INCContact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 802023b. Phone No. (include area code)
Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 1 T9S R22E SESW 640FSL 1798FWL
40.05959 N Lat, 109.39135 W Lon**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input checked="" type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #58114 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature

Electronic Submission

Date 01/16/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED****RECEIVED****JAN 18 2008****DIV. OF OIL, GAS & MINING**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078 Phone Number: (435) 781-9145

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36262	CHAPITA WELLS UNIT 664-01		NWNE	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	15683	4905	10/4/2006		7/10/2007		
Comments: <u>WASATCH</u> — <u>12/31/08</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36833	CHAPITA WELLS UNIT 671-01		NWSW	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	15453	4905	6/21/2006		9/22/2006		
Comments: <u>WASATCH</u> — <u>12/31/08</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36936	CHAPITA WELLS UNIT 684-01		SESW	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	15845	4905	12/15/2006		3/9/2007		
Comments: <u>WASATCH</u> — <u>12/31/08</u>							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

12/31/2008

Title

Date

RECEIVED

DEC 31 2008